

TRANSPORTATION  
COMMISSION  
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LH-LAN-0 (01/01)

STATE OF MICHIGAN



JOHN ENGLER, GOVERNOR

DEPARTMENT OF TRANSPORTATION

MURRAY D. VAN WAGONER (TRANSPORTATION) BUILDING  
425 WEST OTTAWA STREET - PO BOX 30050, LANSING, MICHIGAN 48909  
PHONE: 517-373-2090 FAX: 517-373-0167 WEB SITE: <http://www.mdot.state.mi.us>  
GREGORY J. ROSINE, DIRECTOR

April 26, 2001

The Honorable John Engler  
Senate Appropriations Subcommittee on Transportation  
House Appropriations Subcommittee on Transportation  
Senate Fiscal Agency  
House Fiscal Agency  
Auditor General Thomas H. McTavish  
Director Gregory J. Rosine, Transportation  
Director Duane Berger, Management and Budget  
State Budget Director Mary A. Lannoye

Dear Governor Engler, Respective Members, Mr. McTavish, and Directors Rosine, Berger, and Lannoye:

Section 319 of the appropriations bill for the State Transportation Department for the fiscal year ending September 30, 2001, and the Department of Management and Budget's Annual Reporting Requirements provide for a report prepared by the Department's Internal Auditor on the activities of the internal auditor for the prior fiscal year.

Enclosed is a Schedule of Internal Audit Activities for the fiscal year ended September 30, 2000, detailing the proportion of time spent in the various areas of the Office of Commission Audits' internal audit responsibilities. Also enclosed is the required listing of the audits performed.

If you have any questions regarding this report, please contact me or Jerry J. Jones, C.P.A., Commission Auditor, at 517-373-2110 or 517-373-2384, respectively.

Sincerely,

A handwritten signature in black ink, appearing to read "B. LaBelle".

Barton W. LaBelle, Chairman  
State Transportation Commission

Enclosures

cc: State Transportation Commission  
C. Krupka  
B. Hayes  
D. Novak



**Michigan Department of Transportation**  
**Office of Commission Audits**  
**Schedule of Internal Audit Activities**  
**Fiscal Year 2000**

List of each audit or investigation pursuant to Sections 486(4) and 487. Please note the type of audit (i.e., financial or performance).

See attached list.

Statutory Responsibility	Proportion of Time
Internal Control Evaluations – Responsibilities with Biennial Reporting	.1%
Financial Audits (internal)	12.4%
Financial Audits (external)	42.1%
Economy and Efficiency, and Performance Audits	16.0%
Other Audit and Investigative Activities	4.0%
Serious or Flagrant Activities	1.1%
Sub-recipient Monitoring	
Professional Development & Administrative Support Activities	24.3%
Other	
<b>Total</b>	<b>100%</b>

Comments

cc: Governor John Engler  
Senate Appropriations Committee  
Senate Fiscal Agency  
DMB Director

Thomas H. McTavish, Auditor General  
House Appropriations Committee  
House Fiscal Agency  
State Budget Director

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
ALPENA COUNTY	10/04/1999	AR-1999-302	4
	AR Subtotal	1 Audits	4
ABC PAVING COMPANY	08/01/2000	CM-2000-48	1
BENZIE COUNTY ROAD COMMISSION	03/30/2000	CM-1999-92	2
BRANCH COUNTY ROAD COMMISSION	04/25/2000	CM-1999-113	1
CALHOUN COUNTY ROAD COMMISSION	03/30/2000	CM-1999-114	1
CHARLEVOIX COUNTY ROAD COMMISSION	01/10/2000	CM-1999-115	1
CHEBOYGAN COUNTY ROAD COMMISSION	09/14/2000	CM-2000-136	2
CHIPPEWA COUNTY ROAD COMMISSION	06/29/2000	CM-1999-116	3
CRAWFORD COUNTY ROAD COMMISSION	06/14/2000	CM-1999-117	2
DICKINSON COUNTY ROAD COMMISSION	06/27/2000	CM-1999-95	1
DICKINSON COUNTY ROAD COMMISSION	08/14/2000	CM-2000-96	2
GENESEE COUNTY ROAD COMMISSION	09/18/2000	CM-1997-256	2
GLADWIN COUNTY ROAD COMMISSION	12/06/1999	CM-1999-118	1
GRAND TRAVERSE COUNTY ROAD COMMISSION	11/23/1999	CM-1999-119	2
IONIA COUNTY ROAD COMMISSION	12/20/1999	CM-1999-58	2
JACKSON COUNTY ROAD COMMISSION	12/22/1999	CM-1999-40	1
LAKE COUNTY ROAD COMMISSION	04/24/2000	CM-1999-122	2
LAPEER COUNTY ROAD COMMISSION	05/01/2000	CM-1999-123	1
LEELANAU COUNTY ROAD COMMISSION	12/22/1999	CM-1999-125	1
LUCE COUNTY ROAD COMMISSION	09/06/2000	CM-1999-126	2
MASON COUNTY ROAD COMMISSION	02/01/2000	CM-1999-103	1
MASON COUNTY ROAD COMMISSION	02/01/2000	CM-1999-129	2
MECOSTA COUNTY ROAD COMMISSION	03/08/2000	CM-1999-104	1
MECOSTA COUNTY ROAD COMMISSION	03/08/2000	CM-1999-130	2
MENOMINEE COUNTY ROAD COMMISSION	05/02/2000	CM-1999-131	2
MIDLAND COUNTY ROAD COMMISSION	04/24/2000	CM-1999-132	2
MISSAUKEE COUNTY ROAD COMMISSION	08/08/2000	CM-1999-134	2
MONROE COUNTY ROAD COMMISSION	09/15/2000	CM-1997-269	2
MONROE COUNTY ROAD COMMISSION	09/15/2000	CM-1998-1	2
MUSKEGON COUNTY ROAD COMMISSION	05/31/2000	CM-1999-366	2
NEWAYGO COUNTY ROAD COMMISSION	08/29/2000	CM-1999-135	2

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
OCEANA COUNTY ROAD COMMISSION	03/22/2000	CM-1999-137	2
OGEMAW COUNTY ROAD COMMISSION	05/11/2000	CM-1999-138	2
ONTONAGON COUNTY ROAD COMMISSION	02/22/2000	CM-1999-107	1
ONTONAGON COUNTY ROAD COMMISSION	02/22/2000	CM-1999-139	1
PRESQUE ISLE COUNTY ROAD COMMISSION	08/16/2000	CM-2000-77	2
ROSCOMMON COUNTY ROAD COMMISSION	04/26/2000	CM-1999-142	2
SANILAC COUNTY ROAD COMMISSION	12/06/1999	CM-1999-30	1
SCHOOLCRAFT COUNTY ROAD COMMISSION	09/22/2000	CM-2000-179	1
ST. CLAIR COUNTY ROAD COMMISSION	08/04/2000	CM-1999-22	2
TUSCOLA COUNTY ROAD COMMISSION	09/19/2000	CM-1999-143	2
VAN BUREN COUNTY ROAD COMMISSION	02/02/2000	CM-1999-144	1
WAYNE COUNTY OFFICE OF PUBLIC SERVICES	01/21/2000	CM-1999-49	2
WEXFORD COUNTY ROAD COMMISSION	03/23/2000	CM-1999-42	2
WEXFORD COUNTY ROAD COMMISSION	03/23/2000	CM-1999-112	1
	CM Subtotal	44 Audits	72
CAMBRIDGE TECHNOLOGY PARTNERS	02/03/2000	CO-1998-26	7
CH2M HILL MICHIGAN, INC.	07/18/2000	CO-2000-110	1
COMMONWEALTH ASSOCIATES, INC.	08/18/2000	CO-1999-294	1
COMMONWEALTH CULTURAL RESOURCES GROUP	08/25/2000	CO-2000-181	2
CONSOER TOWNSEND ENVIRODYNE ENGINEERS	01/19/2000	CO-2000-26	26
DLZ MICHIGAN INC	04/27/2000	CO-2000-65	10
H. W. LOCHNER, INC.	10/18/1999	CO-1998-182	5
HH ENGINEERING, LIMITED	06/30/2000	CO-1999-11	7
MICHIGAN TECHNOLOGICAL UNIVERSITY	08/23/2000	CO-2000-3	15
ROWE, INC.	02/10/2000	CO-2000-31	2
SIEMENS AUTOMOTIVE CORPORATION	03/31/2000	CO-2001-70	1
SNELL ENVIRONMENTAL GROUP, INC.	01/27/2000	CO-1999-36	19
SUNDBERG, CARLSON AND ASSOCIATES, INC.	04/19/2000	CO-1998-53	6
TENG & ASSOCIATES, INC.	03/27/2000	CO-2000-51	1
TUCKER, YOUNG, JACKSON, TULL, INC.	01/13/2000	CO-1998-54	22
UNIVERSITY OF MICHIGAN	03/31/2000	CO-1999-236	1
WALLED LAKE, CITY OF	06/27/2000	CO-1999-275	1

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
WESTINGHOUSE PRODUCTIVITY AND QUALITY CENTER	03/01/2000	CO-1999-184	1
	CO Subtotal	18 Audits	128
DICKINSON COUNTY ROAD COMMISSION	09/06/2000	ED-1999-188	1
MISSAUKEE COUNTY ROAD COMMISSION	01/31/2000	ED-1999-197	1
TROY, CITY OF	05/02/2000	ED-1999-208	1
WAYNE COUNTY OFFICE OF PUBLIC SERVICES	09/28/2000	ED-1999-178	14
WIXOM, CITY OF	04/20/2000	ED-1999-210	1
ZEELAND, CITY OF	01/25/2000	ED-1998-200	1
	ED Subtotal	6 Audits	19
BATTLE CREEK, CITY OF	01/28/2000	MM-1999-155	1
DETROIT, CITY OF	06/27/2000	MM-1998-18	2
FLINT, CITY OF	07/26/2000	MM-1999-166	2
HOUGHTON, CITY OF	08/18/2000	MM-2000-63	2
KALAMAZOO, CITY OF	12/22/1999	MM-1999-173	1
LANSING, CITY OF	05/31/2000	MM-1998-187	2
MARQUETTE, CITY OF	12/22/1999	MM-1999-158	1
MIDLAND, CITY OF	10/14/1999	MM-1999-159	1
MUSKEGON, CITY OF	08/23/2000	MM-2000-69	1
PETOSKEY, CITY OF	01/10/2000	MM-2000-2	1
PETOSKEY, CITY OF	09/15/2000	MM-2000-130	2
PORT HURON, CITY OF	12/22/1999	MM-1999-161	1
ROSEVILLE, CITY OF	12/22/1999	MM-1998-59	1
SAGINAW, CITY OF	02/03/2000	MM-1999-162	1
	MM Subtotal	14 Audits	19
ALFRED BENESCH & COMPANY	03/29/2000	PA-2000-42	1
CAMBRIDGE SYSTEMATICS, INC.	01/13/2000	PA-2000-16	1
CH2M HILL MICHIGAN, INC.	10/27/1999	PA-1999-364	1
CONSOER TOWNSEND ENVIRODYNE ENGINEERS	11/30/1999	PA-2000-12	1
CORRADINO GROUP, P.S.C., THE	05/02/2000	PA-2000-67	1
FISHBECK, THOMPSON, CARR & HUBER	02/17/2000	PA-2000-29	1
FLEIS & VANDENBRINK ENGINEERING, INC.	03/31/2000	PA-2000-53	1
HNTB MICHIGAN, INC.	03/30/2000	PA-2000-32	1

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
ORCHARD, HILTZ & MCCLIMENT, INC.	10/27/1999	PA-1999-363	1
PATHWAY SERVICES	07/14/2000	PA-2000-124	1
T. Y. LIN INTERNATIONAL BASCOR, INC.	12/16/1999	PA-2000-15	1
TROY, CITY OF	11/04/1999	PA-1999-365	1
URS GREINER WOODWARD CLYDE INC GREAT LAKES	04/26/2000	PA-2000-66	1
URS GREINER WOODWARD CLYDE INC GREAT LAKES	08/18/2000	PA-2000-169	1
WILCOX ASSOCIATES, INC.	02/22/2000	PA-2000-30	1
	PA Subtotal	15 Audits	15
GENESEE COUNTY METROPOLITAN PLANNING COMMISSION	09/14/2000	PO-2000-187	4
REGION 2 PLANNING COMMISSION	08/14/2000	PO-2000-137	1
REGION 2 PLANNING COMMISSION	08/14/2000	PO-2000-161	6
	PO Subtotal	3 Audits	11
ALTRAN TRANSIT AUTHORITY	05/17/2000	PT-1999-348	1
ALTRAN TRANSIT AUTHORITY	05/17/2000	PT-2000-62	2
BARRY COUNTY TRANSIT	06/28/2000	PT-1999-303	3
BATTLE CREEK, CITY OF	05/17/2000	PT-2000-64	6
BAY AREA TRANSPORTATION AUTHORITY	08/15/2000	PT-2000-54	3
BAY METROPOLITAN TRANSPORTATION AUTHORITY	03/27/2000	PT-2000-47	4
BLUE WATER AREA TRANSPORTATION COMMISSION	07/12/2000	PT-1999-283	8
BRANCH AREA TRANSIT AUTHORITY	05/03/2000	PT-1999-288	1
CADILLAC/WEXFORD TRANSIT AUTHORITY	07/18/2000	PT-1999-351	3
CAPITAL AREA TRANSPORTATION AUTHORITY	04/26/2000	PT-1998-203	5
CAPITAL AREA TRANSPORTATION AUTHORITY	07/24/2000	PT-1999-286	14
CENTRAL MICHIGAN UNIVERSITY	12/01/1999	PT-1998-41	1
CHARLEVOIX COUNTY BOARD OF COMMISSIONERS	08/16/2000	PT-2000-61	3
CLARE COUNTY BOARD OF COMMISSIONERS	07/25/2000	PT-2000-126	3
CRAWFORD COUNTY TRANSPORTATION AUTHORITY	07/12/2000	PT-2000-125	1
DELTA AREA TRANSIT AUTHORITY	04/18/2000	PT-2000-52	6
DETROIT/WAYNE COUNTY PORT AUTHORITY	07/10/2000	PT-2000-123	2
DEVELOPMENT ORGANIZATION, INC., THE	06/14/2000	PT-2000-104	1
FERRIS STATE UNIVERSITY	11/15/1999	PT-2000-9	2
GENESEE COUNTY METROPOLITAN PLANNING COMMISSION	09/14/2000	PT-1999-361	5

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
GRAND HAVEN, CITY OF	03/28/2000	PT-2000-39	1
GRAND HAVEN, CITY OF	06/13/2000	PT-2000-105	1
GRAND RAPIDS AREA TRANSIT AUTHORITY	08/11/2000	PT-1999-62	14
HOUGHTON, CITY OF	03/08/2000	PT-2000-40	1
JACKSON TRANSPORTATION AUTHORITY	07/12/2000	PT-1999-360	6
KALAMAZOO, CITY OF	06/02/2000	PT-1999-71	4
KALKASKA PUBLIC TRANSIT AUTHORITY	06/16/2000	PT-1999-355	1
LIVINGSTON COUNTY BOARD OF COMMISSIONERS	03/08/2000	PT-2000-46	1
LIVINGSTON COUNTY BOARD OF COMMISSIONERS	09/18/2000	PT-2000-184	1
LUDINGTON MASS TRANSPORTATION AUTHORITY	08/25/2000	PT-2000-175	1
MACATAWA AREA COORDINATING COUNCIL	07/14/2000	PT-2000-107	1
MARQUETTE COUNTY TRANSIT AUTHORITY	07/07/2000	PT-1999-357	1
MARQUETTE COUNTY TRANSIT AUTHORITY	05/05/2000	PT-2000-59	3
MASS TRANSPORTATION AUTHORITY	04/03/2000	PT-2000-50	5
MICHIGAN STATE UNIVERSITY	12/21/1999	PT-1999-63	10
MUSKEGON COUNTY BOARD OF COMMISSIONERS	06/14/2000	PT-2000-106	1
NILES, CITY OF	06/13/2000	PT-2000-108	1
OTTAWA COUNTY BOARD OF COMMISSIONERS	07/07/2000	PT-2000-109	1
ROSCOMMON COUNTY BOARD OF COMMISSIONERS	09/22/2000	PT-2000-202	1
SAGINAW TRANSIT AUTHORITY REGIONAL SERVICES	02/25/2000	PT-2000-41	2
SHIAWASSEE REGIONAL EDUCATION SERVICE DISTRICT	06/14/2000	PT-2000-111	1
SMART	08/11/2000	PT-1999-67	2
TWIN CITIES AREA TRANSPORTATION AUTHORITY	07/14/2000	PT-2000-112	2
YATES TOWNSHIP	09/20/2000	PT-2000-127	2
	PT Subtotal	44 Audits	138
AMWAY CORPORATION	04/28/2000	RR-1999-330	1
CSX TRANSPORTATION, INC.	08/28/2000	RR-1999-75	55
DETROIT & MACKINAC RAILWAY COMPANY	01/06/2000	RR-2000-14	1
HURON AND EASTERN RAILWAY COMPANY, INC.	02/11/2000	RR-1997-250	9
HURON AND EASTERN RAILWAY COMPANY, INC.	02/28/2000	RR-1999-301	6
INDIANA NORTHEASTERN RAILROAD CO.	12/13/1999	RR-1999-292	1
JACKSON, CITY OF	10/18/1999	RR-1999-254	1

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
LAKE STATE RAILWAY COMPANY	12/27/1999	RR-1999-76	2
MUSKEGON, CITY OF	08/28/2000	RR-1999-332	1
NORTON SHORES	08/28/2000	RR-1999-346	1
OTTAWA COUNTY ROAD COMMISSION	08/28/2000	RR-1999-343	1
TUSCOLA & SAGINAW BAY RAILWAY	12/13/1999	RR-1999-300	2
	RR Subtotal	12 Audits	81
AUBURN HILLS, CITY OF	04/03/2000	UR-2000-23	2
BENZIE COUNTY ROAD COMMISSION	06/29/2000	UR-1999-215	1
FINKBEINER, PETTIS & STROUT, INC.	04/05/2000	UR-1998-130	2
IRON MOUNTAIN, CITY OF	02/23/2000	UR-1999-221	1
LANSING, CITY OF	09/18/2000	UR-1999-224	1
MENOMINEE COUNTY ROAD COMMISSION	12/09/1999	UR-1999-43	1
OAKLAND COUNTY, ROAD COMMISSION FOR	05/17/2000	UR-1999-261	1
OXFORD, VILLAGE OF	05/01/2000	UR-1999-233	1
PONTIAC, CITY OF	05/17/2000	UR-1999-263	1
SOUTHFIELD, CITY OF	01/26/2000	UR-1999-246	2
WAYNE COUNTY OFFICE OF PUBLIC SERVICES	09/28/2000	UR-1999-260	16
WAYNE COUNTY OFFICE OF PUBLIC SERVICES	09/28/2000	UR-2000-19	20
WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMM.	09/11/2000	UR-1999-265	2
	UR Subtotal	13 Audits	51
<b>Grand Totals for Financial Related Audits</b>		<b>170 Audits</b>	<b>538</b>



Vendor/Agency	Report Date	Report Number	Projects\ Agreements
BUREAU OF FINANCE AND ADMINISTRATION FINANCIAL OPERATIONS DIVISION MAIN FACS SECURITY AND ELECTRONIC DOCUMENT APPROVAL PATH PROCESS	12/20/99	OP-00-001	
EXECUTIVE BUREAU OFFICE OF INFORMATION MANAGEMENT MICROCOMPUTER HARDWARE AND SOFTWARE SECURITY AND INVENTORY CONTROL PROCESS	02/24/00	OP-00-002	
LANSING CENTRAL OFFICE PURCHASING AND PAYMENT PROCESS	02/24/00	OP-00-003	
BUREAU OF HIGHWAY OPERATIONS SUPERIOR, GRAND, AND SOUTHWEST REGIONS PURCHASING AND PAYMENT PROCESS	03/23/00	OP-00-004	
EXECUTIVE BUREAU OFFICE OF INFORMATION MANAGEMENT	07/27/00	OP-00-005	
BUREAU OF HIGHWAY OPERATIONS BAY, NORTH, AND UNIVERSITY REGIONS PURCHASING AND PAYMENT PROCESS	08/24/00	OP-00-006	
INTERNAL AUDIT FOLLOW-UP OPEN RECOMMENDATIONS AS OF DECEMBER 31, 1999	03/23/00	OP-00-007	
OPEN RECOMMENDATIONS AS OF JUNE 30, 2000	09/28/00	OP-00-008	
<b>Grand Total for Performance Audits</b>		<b>8</b>	
PROCUREMENT CARD REVIEW	08/22/00		
<b>Grand Total for Special Audits</b>		<b>1</b>	
FERNDAL ELECTRIC COMPANY OVERHEAD REVIEW	01/28/00		
TRAVELERS CASUALTY AND SURETY CLAIM	06/12/00		
IAFRATE/SLAGTER CLAIM - FORCE ACCOUNT	08/03/00		
<b>Grand Total for Contract Claims</b>		<b>3</b>	